



CONFLICT OF INTERESTS POLICY



1. 1. STATEMENT OF PRINCIPLE

1. House of Borse conducts its business according to the principle that it must manage conflicts of interest fairly, both between itself and its clients and between one client and another. House of Borse is required to take all reasonable steps to identify and adequately manage conflicts of interest entailing a material risk of damage to a client's interests in accordance with this Conflict of Interest Policy ("Policy").
2. For the purposes of this document, this Policy applies to those conflicts of interest that may give rise to a material risk of damage to the interests of a client. Conflicts of interest may arise between:
 - a. House of Borse and a parent undertaking;
 - b. House of Borse and a client;
 - c. a relevant person and a client;
 - d. two or more clients of House of Borse in the context of the provision of services provided by House of Borse to those clients; and/ or
 - e. an House of Borse vendor and a client.
 - f. For the purposes of this Policy, clients include:
 - g. existing clients of House of Borse;
 - h. potential clients (where House of Borse is seeking individually to enter into a contractual relationship in respect of services); and
 - i. past clients where fiduciary or other duties remain in place.

2. GENERAL GUIDANCE

1. In identifying conflicts of interest, House of Borse will consider all of the factual circumstances, and will take into account, inter alia, whether House of Borse, a parent undertaking, vendor or a relevant person:
 - a. is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
 - b. has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
 - c. has a financial or other incentive to favour the interests of a client or group of clients over the interests of another client;
 - d. carries on the same business as the client; and/ or
 - e. receives or will receive from a person other than the client an inducement in relation to a service provided to the client in the form of monies, goods or services, other than the standard commission or fee for that service.

3. EXAMPLES OF POTENTIAL CONFLICTS OF INTEREST

1. Below are non-exhaustive examples of what may be considered typical conflicts of interest that may arise in relation to services provided by House of Borse:
 - a. House of Borse may engage in business or provide services for clients whilst other clients are active in relevant sectors and markets at the same time;
 - b. House of Borse may be induced to provide execution services to its clients by a parent undertaking;
 - c. House of Borse may seek to unduly reward, via commissions, parent undertakings;



- d. House of Borse may provide execution services to its clients and may also recommend or sell services issued by affiliated companies and/ or a parent undertaking;
- e. House of Borse or a relevant person receives substantial gifts or entertainment (including non-monetary inducements) that may influence behaviour in a way that conflicts with the interests of the clients of House of Borse; and/ or
- f. House of Borse provides services in relation to an entity or group to which it also provides execution services.

4. IDENTIFYING AND MANAGING CONFLICTS OF INTEREST

1. Should a conflict of interest arise, it must be managed promptly and fairly. As a minimum standard, House of Borse has in place arrangements designed to ensure that:
 - a. divisions operate and engagements are performed with appropriate independence from one another;
 - b. there are effective procedures in place to control the flow of information where, otherwise, the risk of a conflict of interest may harm the interests of a client;
 - c. supervisory arrangements provide for separate supervision of staff where necessary for the fair management of conflicts of interest;
 - d. there are appropriate controls in place to identify and manage cross-board memberships and outside business interests of relevant persons;
 - e. relevant information is recorded promptly in a secure environment to enable identification and management of conflicts of interest;
 - f. appropriate disclosure may be made to the client in a clear, fair and not misleading manner to enable the client to make an informed decision;
 - g. appropriate escalation processes are in place and complied with where a conflict of interest has been identified or may be identified;
 - h. adequate records are maintained of the services and activities of House of Borse where a conflict of interest has been identified;
 - i. where necessary, relevant persons may be asked to step aside from working on a specific transaction or participating in the management of a potential conflict of interest;
 - j. where necessary, relevant persons are subject to personal account transaction rules; and
 - k. there is a periodic review of the adequacy of House of Borse's systems and controls.

5. IDENTIFICATION AND MANAGEMENT OF POTENTIAL CONFLICTS OF INTEREST

1. House of Borse does not undertake any proprietary trading. Therefore the main conflicts of interests which may arise in conduct of its business are potential conflicts of interest between the client and another one of House of Borse's clients, and its duties to other clients. This Policy was therefore put in place to highlight the measures which are taken by House of Borse to ensure that any actual and perceived conflicts of interest are effectively managed.
2. House of Borse requires that potential business are logged at the earliest possible time and prior to signing a confidentiality letter or mandate; receiving any non-public information or making a commitment, verbal or written, to act for a client. This is to assist in the identification and management of potential conflicts of interest.
3. In order for House of Borse to be in a position to identify potential conflicts of interest, material transactions involving clients, relevant persons or House of Borse are logged internally and analysed against existing House of Borse relationships.



6. MEASURES OF CONTROL FOR IDENTIFICATION AND MANAGEMENT OF CONFLICTS OF INTEREST

1. In managing a conflict of interest it may be appropriate to use additional measures in the event that existing on-going conflict management measures are not sufficient to adequately manage the potential conflict of interest, such as the following:

- a. implementation of ad hoc transaction specific Chinese walls or other additional information, segregation methods following consideration of all of the facts available to relevant management;
- b. escalation to senior management who have the responsibility for the strategy of House of Borse and an appreciation of the relationship and reputation risks that may arise; and/ or
- c. declining to act.

This Policy is applicable from 10th August 2015 and shall remain effective until a more recent version is released.
The prevailing version of this Policy is always available at www.houseofborse.com